
**GOODS MOVEMENT TASK FORCE
of the
SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS**

**May 30, 2007
Minutes**

THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE GOODS MOVEMENT TASK FORCE. AN AUDIOCASSETTE TAPE OF THE ACTUAL MEETING IS AVAILABLE FOR LISTENING IN SCAG'S OFFICE.

The Goods Movement Task Force held its meeting at the SCAG office in Los Angeles. The meeting was called to order by the Honorable Art Brown, Chair, City of Buena Park.

Members Present

Baldwin, Harry	San Gabriel
Bone, Lou	City of Tustin
Brown, Art- Chair	City of Buena Park
Catz, Sarah	UC Irvine
Chow, David	IBI Group
Engleberg, Barry	OCTA
Farley, Robert	Metro
Farrington, Carl	SCIC
Forsythe, Kerry	VCTC
Greenwald, Peter	South Coast AQMD
Hamrick, Gary	Iteris
Herrera, Carol	SGVCOG
Hicks, Gil	Gil Hicks & Assoc.
Martinez, Guillermo	POLA
Meo III, Dominic	Meo & Associates
Morales, Diane	Caltrans District 8
Morrissey, Sam	Wilbur Smith & Assoc.
O'Brien, Tom	Metrans/CSULTS
Pfeffer, Nancy	Network Public Affairs
Rabinov, Desiree	Metro
Wade, Kathleen	Caltrans Dist. 7

Via Video Conference

Dale, Lawrence	City of Barstow
Lopez, Rachel	City of Barstow

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1.0 CALL TO ORDER

The Hon. Art Brown, Chair, called the meeting to order at 9:36 a.m.

2.0 PUBLIC COMMENT PERIOD

There were no public comments.

3.0 REVIEW and PRIORITIZE AGENDA ITEMS

4.0 CONSENT CALENDAR

4.1 Approval Item

4.1.1 March 21, 2007 Minutes

A **MOTION** was made to approve the Consent Calendar.

The **MOTION** was **SECONDED** and **UNANIMOUSLY APPROVED**.

5.0 INFORMATION ITEMS

5.1 SB 974 (Lowenthal): Ports Container Fees

Jeffrey Dunn, SCAG, stated that SB 974 was a continuation, or a follow-up on bill from Senator Lowenthal's SB 927, which was passed by the legislature last year and vetoed by the Governor. It is similar but differs in many respects for example, it adds the port of Oakland to the bill and it also adds a \$30 per 20 ft unit fee for containers moving in and out of the ports of L.A., Long Beach, and Oakland. Last year the bill split the money three ways; a third for congestion relief, a third for environmental mitigation, and a third for port security. This year's bill splits the money only between congestion relief and environmental mitigation. Another key difference between this year's bill and last years is the Revenue Bonding Provision. This bill provides for up to five billion dollars of revenue from container fees to be bonded and issued immediately for congestion relief and environmental mitigation. It directs the California Transportation Commission to award projects for congestion relief and it directs CARB to be the entity that allocates funds for environmental mitigation.

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The bill sets up both a Southern California and Northern California congestion mitigation and environmental relief fund. It specifically provides that the money cannot be raided from either of these funds. The bill requires that the CTC gives priority to projects specifically designed to reduce pollution when awarding money for congestion mitigation projects.

SCAG staff is currently reviewing the bill. A position for the agency has not yet been recommended. There are a few potential problems with the bill. The first is the amount of the fee itself. An elasticity study showed that a much higher fee could be supported. Staff would like to see the bill address how the fee amount was calculated. The bill also does not include highway projects and is mainly focused on rail. SCAG would like there to be a greater measure of local control in determining which projects are selected and the priority of the projects. The last potential concern for the bill is that it imposes a double standard upon Southern California that is not implemented upon Northern California because of Southern California's Clean Air Action Plan. The bill is in Senate Appropriations and is scheduled to move to the floor on May 31, and it has until June 8 to move out of the First House and has until July 13 to be heard in the Second House Policy Committee. The bill is expected to arrive at the Governor's desk sometime during this session.

5.2 RTP Update – Goods Movement Existing Conditions

Ms. Sarah Catz, UC Irvine, gave an explanation of the existing conditions of the State's Goods Movement Plan. She stated that goods movement issues were not a big concern with the previous RTP.

There are a few main points to be covered:

- Goods movement is a major gateway to international commerce.
- There is currently tremendous freight infrastructure development.
- There is a major role in freight logistics and national, state, and regional economies.
- Existing infrastructure is reaching capacity.
- All projections point to continued robust growth in goods movement volumes.
- There is an associated increase in demand on the transportation system.
- There is growing concern regarding side effects of goods movement.

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There have been a number of various studies that have been completed since the last RTP:

- SR-60 Truck Lane Feasibility Study
- Goods Movement White Paper
- Truck Count Study
- L.A. Inland Empire Railroad Mainland Advanced Planning Study
- Empty Container Study
- Logistics and Distribution
- Phase 1 of Port and Modal Elasticity Study
- I-15 Comprehensive Corridor Study.

Currently under way is the:

- Multi-County and State's Goods Movement Action Plan
- Inland Port Feasibility Study
- Phase 2 of the Port and Modal Elasticity Study
- Environmental Mitigation for Goods Movement
- Alternative Technologies

The main forms of entry of goods to the region that are being covered are ocean carriers, air cargo, railroads, and trucks. Southern California contains the fifth largest container port complex in the world with approximately 40,000 TEUs moving through the ports every day. Over 70% of imports through the ports of L.A. and Long Beach are destined for points outside of Southern California.

Ms. Catz also addressed the impacts of goods movement on trade and trade growth. She went over the various actions that were used to combat issues caused by goods movement. The update states how freight rail will share use with passenger rail along with current train delay and forecasted train delay. The update also illustrates current truck volumes on various freeways and their projected volumes along with daily truck and vehicle miles. The goods movement update also illustrates the economic imperative which improves job opportunities. The update covers the fact that goods movement is a major source of air pollution, the current amounts of pollution caused by goods movement in the South Coast Air Basin, and various measures being taken to reduce port related air pollution. These include the ports of Long Beach and Los Angeles Clean Air Action Plan, The Port of Oakland's Vision 2000 Maritime Development Program, the State Goods Movement Action Plan, and

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the California Air Resources Board Emission Reduction Plan. The update includes funding limitations and opportunities along with other issues. These issues include truck safety concerns, at-grade crossings, security, modal shifts and trends, land use trends and system-wide GM data.

Ms. Catz closed her presentation by stating that as the Goods Movement of the RTP is taking shape, inputs from SCAG and other groups are needed in the next couple of months in hopes to have the draft out by late October.

5.3 Inland Port Feasibility Study

Gary Hamrick, Iteris Inc, stated that the study team is nearing the completion of the Inland Port Feasibility Study and has established the underlying traffic flows, economic factors of potential reductions and truck VMT and emissions. Focus for the final stage of the project is on operating strategies for rail shuttle and terminal sights in the Inland Empire or other areas beyond .

The objectives of the study are:

- Determine the purpose and benefits of an inland port and the various functions it might include.
- Identify the potential utility of an inland port to users and stakeholders in the goods movement system.
- Identify the potential freight traffic congestion relief.

The team looked at twenty nine case studies of what might be called inland port concept. The two that showed the most promise for the SCAG region were the Logistics Park concept and the Satellite Marine Terminal Modals. The Logistics Park approach similar to Alliance, Texas, uses a core of transportation and logistics facilities which would encourage adjacent development of distribution centers primarily and other types of truck trip generators. It's a long term strategy and it would with land use to help rationalize goods movement strategies. The Satellite Marine Terminal approach links the inland port, similar to the Virginia Inland Port, to a specific sea port. This would be a single purpose facility designed to serve an existing customer base rather than future land uses and function as an extension, in this case in the ports of L.A. and Long Beach Marine Terminal. The two different types have different functions and site requirements. The Satellite Marine Terminal needs to be close to existing customers. The Logistics Park needs to influence future land uses, a site is needed in a developing area. The major issues to be

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addressed are: market potential, public vs. private development priorities, rail capacity and traffic volume, and competition with other public and private initiatives.

The Southern California Logistics Airport in Victorville is an obvious candidate for the logistics park approach. It is currently being developed as a logistics park but still has a lot of potential for new trip generators. The City of Barstow also shows potential for a logistics park sight. Barstow has identified an appropriate site for rail inter-modal terminal that could become the nucleus of logistic related development. Barstow would also be a logical site if wanted to pursue an agile port strategy, call for port terminals to load as much as possible on rail with a minimum of sorting at the port location. The sorting would then take place at the inland point, such as Barstow. This approach would trade additional handling and cost for increased marine terminal through-put. Antelope Valley is being considered as a long term possibility for the inland port concept. The Antelope Valley has rail service and developable land, but is handicapped by geography, being off the major truck routes, and is not well located for near-term distribution functions.

The Satellite Marine Terminal approach is intended to replace existing truck trips, reduce existing truck VMT, and serve existing customers with an inter-modal alternative. The model would reduce truck VMT via an inter-modal rail shuttle. The major issues to be addressed are: rail and terminal capacity, commercial acceptance, and public investment and study. The Mira Loma concentration of distribution centers and other customers is the key near-term target market to reduce VMT. There are also a few larger sites; they are Colton, SBIA, and SCLA. The MMA model demonstrates substantial VMT reductions for the Colton and SBIA locations, and modest reductions for the SCLA location. To complete the project site selection, analysis will be continued and a draft report will be released next month.

5.4 High Speed Rail Transport System

David Chow, IBI Group, stated that the High Speed Regional Transport System has reached a point where there is necessity for the development of a Business Plan for the system. Southern California has three major transportation challenges including regional mobility, aviation demand, and goods movement. All three of these challenges are met by the implementation of a High Speed Rail Transport System.

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The HSRT System has the following features:

- Fully elevated system over existing public transportation corridors
- Use of high-speed, high-capacity trains traveling at speeds up to 250 m.p.h
- 170 mile system linking L.A. core with strategic locations outside of the basin
- Financially self-sustaining project
- Ability to link the capacity in the region together and get better value from infrastructure investments
- Environmentally friendly mode of transport

There are three primary core businesses to the HSRT proposal. In regards to the transportation of passengers, the revenue derived from the transportation of passengers and associated businesses will be collected. Revenues include commuter fares, station parking, station concessions, etc. The Aviation System will also be supported. There will be revenue produced from airport access and connecting passengers. There will be a reduction in airport infrastructure needs and costs. There will also be FAA participation opportunities. Goods movement will be supported through the HSRT System. There will be revenue generated from goods movement fees along with an enhancement of capacity to handle goods in the region. There is a substitute for significant environmental mitigation requirements in the region.

In conclusion the HSRT system is a financially competitive and viable solution for the following problems in the region. The regional problems are eminent and strategically critical to the nation and the region. The problems can only be resolved from a regional prospective. Incremental and partial solutions will not work. The challenges must be solved on a financially viable basis, otherwise it will be too costly. HSRT is viable through multiple uses and competitive with today's cost and significantly less than future costs with the ability to be financially robust. HSRT can be implemented in stages, becoming more viable as additional lines and greater regional connectivity is achieved.

5.0 STAFF REPORT

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6.0 COMMENT PERIOD

Hon. Art Brown announced that on Friday, June 8th, the Orange County Mayor's Summit would be held at the Bower's Museum in Santa Ana. There will be panel on Goods Movement from 10:15 - 11:30 a.m. A representative from Senator Lowenthal's office will be on the panel.

7.0 ADJOURNMENT

Hon. Art Brown adjourned the meeting at 11:25 a.m.
The next committee meeting will be held on **Wednesday, July 18, 2007 at the SCAG office in Los Angeles.**